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November 3, 2016

Christopher S. Huther
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Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Verizon Virginia LLC and Verizon South Inc. v. Virginia Electric and
Power Company d/b/a Dominion Virginia Power*, Docket No. 15-190

Dear Ms. Dortch,

On October 19, 2016, Dominion sent a letter to the FCC providing a copy of an October 13, 2016 letter to Verizon, purporting to provide Notice of Default under the parties' Joint Use Agreement.

Attached is the response Verizon sent to Dominion explaining why it is not in default.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to be "CH", written over a horizontal line.

Christopher S. Huther



David J. Gudino
Area Counsel - Mid Atlantic
Legal Department

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November 1, 2016

VIA FEDERAL EXPRESS

Anthony Barni
Manager Electric Distribution Design
Dominion Virginia Power
701 East Cary Street
Richmond, VA 23219

Re: Dominion Notice of Default under the Joint-Use Agreements between Virginia Electric and Power Company d/b/a Dominion Virginia Power, and Verizon Virginia Inc. and Verizon South LLC

Dear Mr. Barni:

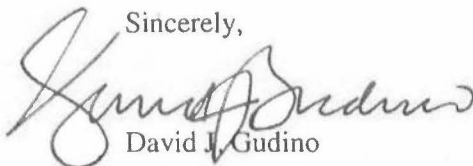
This responds to your October 13, 2016 letter, which purports to notify Verizon of a default under Article 13 of General Joint Use Agreements between Dominion and Verizon, dated January 1, 2011, on two grounds. First, Dominion alleges that Verizon has failed to remit full payment for pole attachment rental fees due Dominion for the years 2015 and 2016. Second, Dominion asserts that Verizon has failed to indemnify and defend Dominion in connection with a lawsuit filed in Fairfax County, Virginia, styled *Washington Green No. 1, LLC v. Virginia Electric and Power Co., et al.*, (No. CL-2016-09563).

Verizon is not in default under the terms of the General Joint Use Agreements for either of the alleged reasons specified by Dominion. As Dominion is aware, Verizon has initiated a complaint proceeding at the FCC to determine the lawful pole attachment rates that Dominion may charge under the FCC's rules. In the interim, Verizon is making annual rent payments to Dominion based on the FCC's new telecom rate calculation formula. There also is a pending state court lawsuit to determine whether Dominion is entitled to the rates that it seeks or whether, as Verizon claims, Verizon has been damaged by Dominion's failure to negotiate in good faith regarding the pole attachment rates to be charged. Until those matters are concluded there is no basis for your claim that Verizon is in "default" by failing to pay the unlawfully high rates demanded in your invoices.

Moreover, separate and apart from the question of whether there even is a default, Dominion cannot exercise any of its default rights because Verizon, through its FCC action and the state court proceeding, is "working towards a cure," as provided in Article 13.04. In this regard, Verizon is prepared to make any true-up payments that may be required once there is a final ruling in those matters.

There also is no basis for Dominion's claim for indemnity in the *Washington Green* matter. Indeed, Verizon has sought indemnification from Dominion because the entire lawsuit could have been avoided had Dominion acted in good faith toward Verizon under the agreement. Dominion apparently was contacted by the landowner regarding its legal authority to be on the pole long before the lawsuit was filed. Rather than notifying Verizon of the right of way issue pursuant to Section 25.02 of the agreement, or inviting Verizon to participate in Dominion's negotiations with the landowner to obtain an easement and relocate its facilities underground, Dominion simply made its own deal, then notified Verizon that it was abandoning the pole, without any warning of the property owner's potential trespass claim. Despite Dominion's tactics, Verizon resolved the property owner's claim by paying for its own easement without any monetary contribution from Dominion. Had Dominion worked with Verizon early on to address the property owner's complaint, the matter could have been resolved without the need for litigation. Under Section 4.03(d), Dominion's failure to promptly notify Verizon when it first became aware of the issue bars its claim for indemnity.

Sincerely,

A handwritten signature in dark ink, appearing to read "David J. Gudino", is written over the typed name. The signature is fluid and cursive, with the first name "David" being more prominent.

David J. Gudino